

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO HAROLD TELEPHONE)	
COMPANY'S PROPOSED TARIFF FILING TO)	
ESTABLISH NON-RECURRING AND RECURRING)	CASE NO. 10170
CHARGES INCLUDING AN ALLEGED FAILURE TO)	
COMPLY WITH KRS 278.160)	

O R D E R

On February 26, 1988, the Commission initiated this proceeding stating that Harold Telephone Company ("Harold") may have violated KRS 278.160 by implementing rates and charges for touch-tone and custom calling features prior to filing schedules with the Commission. The Order required Harold to appear on March 29, 1988 for the purposes of presenting evidence concerning the implementation of charges for touch-tone and custom calling features prior to filing schedules with the Commission, and showing cause why it should not be subject to penalties for failure to comply with KRS 278.160.

On March 15, 1988, Staff and representatives of Harold met to discuss the issues in the case and agreed to stipulate the facts to the record. On March 23, 1988, the Commission continued the hearing, which was scheduled for March 29, 1988, pending review of such stipulation. The Stipulation of Facts, which was made part of the record after having been signed by a representative of Harold and the Commission Staff, is attached hereto as Appendix A.

The Commission, having reviewed the record in this proceeding including the Stipulation of Facts, is of the opinion and finds that:

1. A public hearing is not necessary because Harold has agreed that the information contained in Appendix A would be presented at such public hearing.

2. Harold was offering custom calling features prior to the approval of tariffs for the provision of such service and, therefore, Harold failed to comply with the requirements of KRS 278.160.

3. Because of the circumstances as described in Appendix A, Harold should pay a minimum amount for such violation.

4. No refunds of monies collected for the service should be made because the affected customers, of their own volition, requested and received the service in exchange for payments.

5. Harold should send to the Office of General Counsel, Public Service Commission, a check or money order in the amount of \$25.00 payable to the Kentucky State Treasurer within 20 days of the date of this Order.

Each of the above findings is hereby ORDERED.

Done at Frankfort, Kentucky, this 29th day of July, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Herman, Jr.
Chairman

Robert M. Davis
Vice Chairman

Spencer R. Wellington
Commissioner

ATTEST:

Executive Director

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STIPULATION OF FACTS

Comes the Public Service Commission Staff ("Staff") and the Harold Telephone Company ("Harold") and agree to stipulate to the Public Service Commission the following items:

1. Harold, a corporation which engages in the transmission or conveyance over wire, in air or otherwise, of messages by telephone or telegraph for the public for compensation, is a utility pursuant to KRS 278.010 and as such is subject to the regulation of the Commission pursuant to KRS 278.040.

2. On September 14, 1987, Harold filed a proposed tariff with the Commission to establish rates and charges for certain custom calling features, including call-waiting, call-forwarding, three-way conference, long-speed and short-speed calls, and an installation charge. Touch-tone service had previously been filed and approved by the Commission effective January 1, 1983.

3. Upon review of such proposed tariff, Staff ascertained from the cover letter that Harold has been offering those custom calling services described in numerical paragraph 2 above, prior to filing tariffs covering those services. By Order dated

February 26, 1988, the Commission established a proceeding to investigate this alleged unauthorized service. At an informal conference held March 15, 1988, Harold stated that it had requested by letter dated February 16, 1983, approval for the optional calling features.

4. Neither the Staff nor Harold could produce finalized and signed copies of the correspondence that may have ensued. Harold is uncertain why it has no correspondence file on this matter, but did produce a draft copy of a letter in response to the Commission's reply to Harold's first request. The Staff advised Harold that the Commission does not maintain correspondence files longer than two years on matters unrelated to a tariff filing.

5. Harold discovered the deficiency in the tariff and on its own volition advised the Commission that the tariff was incomplete.

6. Optional calling services are optional to any particular customer, that is, a customer paying for such services has chosen to do so and in return for such payments is receiving a specified desired service.

7. Harold states that it had posted the charges for such omitted services at its main office prior to the time the services were offered to the public on or about February 19, 1983, when the Harold digital office was first installed and placed in service. The charges were also posted when digital service became available at the Grethel exchange on May 25, 1984, and at the Wheelwright exchange on December 13, 1985. The same rate was posted and charged at all three exchanges as digital services came on line.

8. Harold will file complying tariffs for such services and such tariffs will comport with those of other telephone companies.

The preceding items contain information which would be presented at a public hearing on this matter and, therefore, Harold does not desire that a public hearing be held, but agrees to submit the matter to the Commission through this Stipulation of Facts.

Paul R. Gienheart
AUTHORIZED REPRESENTATIVE OF HAROLD
TELEPHONE COMPANY

7-1-88
DATE

Wm. E. Dougherty
AUTHORIZED COMMISSION STAFF

7-8-88
DATE